

Department: Department of Health and Welfare

Division: Psychiatric Hospitalization

Program: State Hospital North

Description: Additional Costs for Medical Care

1. Background:

The department requests \$161,800 from the General Fund with \$61,800 in ongoing personnel costs to increase the salaries of its nursing positions and \$100,000 in onetime operating expenditures for State Hospital North (SHN) to address the immediate needs of providing medical care. The request includes an FY 2018 supplemental appropriation request of \$116,600 and an FY 2019 annualization for \$45,200 in personnel costs. SHN, similar to other medical institutions, is experiencing challenges in recruiting, hiring, and retaining qualified nursing and other medical care positions. In the past five years, physician costs, whether state-employed or contracted, have increased on average 16% year-over-year with a range of 9% to 26%. When FY 2017 is compared to FY 2013, the increase is 81%, increasing from \$518,200 to \$938,200. The onetime operating expenditures are to continue paying for contracted help until the pay raises can be implemented and staffing stabilized. The onetime money will be split equally to contract with a tele-psychiatrist and a nurse practitioner. The hospital has been able to contract with a psychiatrist at an annual amount of \$325,000; this contract is with a former SHN psychiatrist.

2. Agency Request and Governor Recommendation:

Fund	Type	OT	FTP	PC	OE	CO	TB	LS	Total
0220-03	Gen		0.00	16,600	0	0	0	0	\$16,600
0220-03	Gen	✓	0.00		100,000	0	0	0	\$100,000
TOTAL			0.00	\$16,600	\$100,000	0	0	0	\$116,600